# H. R. 1448

To require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

#### IN THE HOUSE OF REPRESENTATIVES

March 26, 2003

Mr. Lobiondo (for himself, Mrs. Myrick, Mr. Smith of New Jersey, Mr. Payne, Mr. Conyers, Mr. Frost, Mrs. McCarthy of New York, Ms. Hooley of Oregon, Mr. Wynn, Mrs. Jo Ann Davis of Virginia, Mr. McIntyre, Mr. Baca, Mrs. Capps, Mr. McHugh, Mr. Oberstar, and Mrs. Maloney) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

# A BILL

To require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

#### 1 SECTION 1. SHORT TITLE.

- This Act may be cited as the "Women's Cancer Re-
- 3 covery Act of 2003".
- 4 SEC. 2. AMENDMENTS TO THE EMPLOYEE RETIREMENT IN-
- 5 **COME SECURITY ACT OF 1974.**
- 6 (a) IN GENERAL.—Subpart B of part 7 of subtitle
- 7 B of title I of the Employee Retirement Income Security
- 8 Act of 1974 is amended by adding at the end the following
- 9 new section:
- 10 "SEC. 714. REQUIRED COVERAGE FOR MINIMUM HOSPITAL
- 11 STAY FOR MASTECTOMIES AND LYMPH NODE
- 12 **DISSECTIONS FOR THE TREATMENT OF**
- 13 BREAST CANCER AND COVERAGE FOR SEC-
- 14 ONDARY CONSULTATIONS.
- 15 "(a) Inpatient Care.—
- 16 "(1) IN GENERAL.—A group health plan, and a
- health insurance issuer providing health insurance
- coverage in connection with a group health plan,
- that provides medical and surgical benefits shall en-
- sure that inpatient coverage with respect to the sur-
- 21 gical treatment of breast cancer (including a mastec-
- tomy, lumpectomy, or lymph node dissection for the
- treatment of breast cancer) is provided for a period
- of time as is determined by the attending physician,
- in the physician's professional judgment consistent
- 26 with generally accepted principles of professional

- medical practice, in consultation with the patient, to
  be medically necessary or appropriate.
- 3 "(2) EXCEPTION.—Nothing in this section shall 4 be construed as requiring the provision of inpatient 5 coverage if the attending physician in consultation 6 with the patient determines that a shorter period of 7 hospital stay is medically necessary or appropriate.
- 8 "(b) Prohibition on Certain Modifications.—
- 9 In implementing the requirements of this section, a group
- 10 health plan, and a health insurance issuer providing health
- 11 insurance coverage in connection with a group health plan,
- 12 may not modify the terms and conditions of coverage
- 13 based on the determination by a participant or beneficiary
- 14 to request less than the minimum coverage required under
- 15 subsection (a).
- 16 "(c) NOTICE REQUIREMENT.—The imposition of the
- 17 requirements of this section shall be treated as a material
- 18 modification in the terms of the plan described in section
- 19 102(a)(1), for purposes of assuring notice of such require-
- 20 ments under the plan; except that the summary descrip-
- 21 tion required to be provided under the last sentence of sec-
- 22 tion 104(b)(1) with respect to such modification shall be
- 23 provided by not later than 60 days after the first day of
- 24 the first plan year in which such requirements apply and

1 shall be made available at the time of initial coverage and

2 at any time upon request of a participant or beneficiary.

## 3 "(d) Secondary Consultations.—

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"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending 1 physician for such purpose at no additional cost to 2 the individual beyond that which the individual 3 would have paid if the specialist was participating in the network of the plan.

- "(2) Exception.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where there is a financial relationship (including an ownership or investment interest or compensation arrangement) between the specialist and the attending physician or where the patient determines not to seek such a consultation.
- "(e) Prohibition on Penalties or Incentives.— A group health plan, and a health insurance issuer pro-14 viding health insurance coverage in connection with a 15 group health plan, may not—
  - "(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;
  - "(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast

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1	cancer below certain limits or to limit referrals for
2	secondary consultations; or
3	"(3) provide financial or other incentives to a
4	physician or specialist to induce the physician or
5	specialist to refrain from referring a participant or
6	beneficiary for a secondary consultation that would
7	otherwise be covered by the plan or coverage in-
8	volved under subsection (d).
9	"(f) Preemption; Exception for Health Insur-
10	ANCE COVERAGE IN CERTAIN STATES.—
11	"(1) In general.—The requirements of this
12	section shall not apply with respect to health insur-
13	ance coverage if there is a State law (as defined in
14	section $731(d)(1)$ ) for a State that regulates such
15	coverage that is described in any of the following
16	subparagraphs:
17	"(A) Such State law requires such cov-
18	erage to provide for at least a 48-hour hospital
19	length of stay following a mastectomy per-
20	formed for treatment of breast cancer and at
21	least a 24-hour hospital length of stay following
22	a lymph node dissection for treatment of breast
23	cancer.
24	"(B) Such State law requires, in connec-
25	tion with such coverage for surgical treatment

- of breast cancer, that the hospital length of stay for such care is left to the decision of (or required to be made by) the attending provider in consultation with the woman involved.
- 5 "(2) CONSTRUCTION.—Section 731(a)(1) shall 6 not be construed as superseding a State law de-7 scribed in paragraph (1).".
- 8 (b) Conforming Amendment.—Section 731(c) of 9 such Act (29 U.S.C. 1191(c)) is amended by striking "sec- 10 tion 711" and inserting "sections 711 and 714".
- 11 (c) CLERICAL AMENDMENT.—The table of contents 12 in section 1 of such Act is amended by inserting after the 13 item relating to section 713 the following new item:
  - "Sec. 714. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.".

# 14 (d) Effective Dates.—

- 15 (1) IN GENERAL.—The amendments made by
  16 this section shall apply with respect to plan years be17 ginning on or after the date of enactment of this
  18 Act.
- 19 (2) SPECIAL RULE FOR COLLECTIVE BAR20 GAINING AGREEMENTS.—In the case of a group
  21 health plan maintained pursuant to 1 or more collec22 tive bargaining agreements between employee rep23 resentatives and 1 or more employers ratified before
  24 the date of enactment of this Act, the amendments

1	made by this section shall not apply to plan years
2	beginning before the later of—
3	(A) the date on which the last collective
4	bargaining agreements relating to the plan ter-
5	minates (determined without regard to any ex-
6	tension thereof agreed to after the date of en-
7	actment of this Act), or
8	(B) January 1, 2004.
9	For purposes of subparagraph (A), any plan amend-
10	ment made pursuant to a collective bargaining
11	agreement relating to the plan which amends the
12	plan solely to conform to any requirement added by
13	this section shall not be treated as a termination of
14	such collective bargaining agreement.
15	SEC. 3. AMENDMENTS TO THE PUBLIC HEALTH SERVICE
16	ACT RELATING TO THE GROUP MARKET.
17	(a) In General.—Subpart 2 of part A of title
18	XXVII of the Public Health Service Act is amended by
19	adding at the end the following new section:
20	"SEC. 2707. REQUIRED COVERAGE FOR MINIMUM HOSPITAL
21	STAY FOR MASTECTOMIES AND LYMPH NODE
22	DISSECTIONS FOR THE TREATMENT OF
23	BREAST CANCER AND COVERAGE FOR SEC-
24	ONDARY CONSULTATIONS.
25	"(a) Inpatient Care.—

"(1) In general.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in the physician's professional judgment consistent with generally accepted principles of professional medical practice, in consultation with the patient, to be medically necessary or appropriate.

- "(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determines that a shorter period of hospital stay is medically necessary or appropriate.
- "(b) Prohibition on Certain Modifications.—
  In implementing the requirements of this section, a group
  health plan, and a health insurance issuer providing health
  insurance coverage in connection with a group health plan,
  may not modify the terms and conditions of coverage

based on the determination by a participant or beneficiary

- 1 to request less than the minimum coverage required under
- 2 subsection (a).
- 3 "(c) Notice Requirement.—A group health plan
- 4 under this part shall comply with the notice requirement
- 5 under section 714(c) of the Employee Retirement Income
- 6 Security Act of 1974 with respect to the requirements of
- 7 this section as if such section applied to such plan.
- 8 "(d) Secondary Consultations.—
- 9 "(1) IN GENERAL.—A group health plan, and a 10 health insurance issuer providing health insurance 11 coverage in connection with a group health plan that 12 provides coverage with respect to medical and sur-13 gical services provided in relation to the diagnosis 14 and treatment of cancer shall ensure that full cov-15 erage is provided for secondary consultations by spe-16 cialists in the appropriate medical fields (including 17 pathology, radiology, and oncology) to confirm or re-18 fute such diagnosis. Such plan or issuer shall ensure 19 that full coverage is provided for such secondary 20 consultation whether such consultation is based on a 21 positive or negative initial diagnosis. In any case in 22 which the attending physician certifies in writing 23 that services necessary for such a secondary con-24 sultation are not sufficiently available from special-25 ists operating under the plan with respect to whose

1 services coverage is otherwise provided under such 2 plan or by such issuer, such plan or issuer shall en-3 sure that coverage is provided with respect to the services necessary for the secondary consultation 5 with any other specialist selected by the attending 6 physician for such purpose at no additional cost to 7 the individual beyond that which the individual 8 would have paid if the specialist was participating in 9 the network of the plan.

- "(2) Exception.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where there is a financial relationship (including an ownership or investment interest or compensation arrangement) between the specialist and the attending physician or where the patient determines not to seek such a consultation.
- "(e) Prohibition on Penalties or Incentives.— A group health plan, and a health insurance issuer pro-18 19 viding health insurance coverage in connection with a group health plan, may not— 20
- "(1) penalize or otherwise reduce or limit the 21 22 reimbursement of a provider or specialist because 23 the provider or specialist provided care to a partici-24 pant or beneficiary in accordance with this section;

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1	"(2) provide financial or other incentives to a
2	physician or specialist to induce the physician or
3	specialist to keep the length of inpatient stays of pa-
4	tients following a mastectomy, lumpectomy, or a
5	lymph node dissection for the treatment of breast
6	cancer below certain limits or to limit referrals for
7	secondary consultations; or
8	"(3) provide financial or other incentives to a
9	physician or specialist to induce the physician or
10	specialist to refrain from referring a participant or
11	beneficiary for a secondary consultation that would
12	otherwise be covered by the plan or coverage in-
13	volved under subsection (d).
14	"(f) Exception for Health Insurance Cov-
15	ERAGE IN CERTAIN STATES.—
16	"(1) In general.—The requirements of this
17	section shall not apply with respect to health insur-
18	ance coverage if there is a State law (as defined in
19	section 2723(d)(1) of the Public Health Service Act)
20	for a State that regulates such coverage that is de-
21	scribed in any of the following subparagraphs:
22	"(A) Such State law requires such cov-

erage to provide for at least a 48-hour hospital

length of stay following a mastectomy per-

formed for treatment of breast cancer and at

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- least a 24-hour hospital length of stay following a lymph node dissection for treatment of breast cancer.
- "(B) Such State law requires, in connection with such coverage for surgical treatment of breast cancer, that the hospital length of stay for such care is left to the decision of (or required to be made by) the attending provider in consultation with the woman involved.
- "(2) CONSTRUCTION.—Section 2723(a)(1) shall not be construed as superseding a State law described in paragraph (1).".
- 13 (b) Conforming Amendment.—Section 2723(c) of 14 such Act (42 U.S.C. 300gg–23(c)) is amended by striking 15 "section 2704" and inserting "sections 2704 and 2707".
- 16 (c) Effective Dates.—
- 17 (1) IN GENERAL.—The amendments made by
  18 this section shall apply to group health plans for
  19 plan years beginning on or after the date of enact20 ment of this Act.
- 21 (2) SPECIAL RULE FOR COLLECTIVE BAR22 GAINING AGREEMENTS.—In the case of a group
  23 health plan maintained pursuant to 1 or more collec24 tive bargaining agreements between employee rep25 resentatives and 1 or more employers ratified before

1	the date of enactment of this Act, the amendments
2	made by this section shall not apply to plan years
3	beginning before the later of—
4	(A) the date on which the last collective
5	bargaining agreements relating to the plan ter-
6	minates (determined without regard to any ex-
7	tension thereof agreed to after the date of en-
8	actment of this Act), or
9	(B) January 1, 2004.
10	For purposes of subparagraph (A), any plan amend-
11	ment made pursuant to a collective bargaining
12	agreement relating to the plan which amends the
13	plan solely to conform to any requirement added by
14	this section shall not be treated as a termination of
15	such collective bargaining agreement.
16	SEC. 4. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT
17	RELATING TO THE INDIVIDUAL MARKET.
18	(a) In General.—Subpart 3 of part B of title
19	XXVII of the Public Health Service Act is amended by
20	adding at the end the following new section:

1	"SEC. 2753. REQUIRED COVERAGE FOR MINIMUM HOSPITAL
2	STAY FOR MASTECTOMIES AND LYMPH NODE
3	DISSECTIONS FOR THE TREATMENT OF
4	BREAST CANCER AND SECONDARY CON-
5	SULTATIONS.
6	"(a) In General.—The provisions of section 2707
7	(other than subsection (c)) shall apply to health insurance
8	coverage offered by a health insurance issuer in the indi-
9	vidual market in the same manner as they apply to health
10	insurance coverage offered by a health insurance issuer
11	in connection with a group health plan in the small or
12	large group market.
13	"(b) Requirement.—A health insurance issuer
14	under this part shall comply with the notice requirement
15	under section 714(c) of the Employee Retirement Income
16	Security Act of 1974 with respect to the requirements re-
17	ferred to in subsection (a) as if such section applied to
18	such issuer and such issuer were a group health plan.
19	"(c) Exception for Health Insurance Cov-
20	ERAGE IN CERTAIN STATES.—
21	"(1) In general.—The requirements of this
22	section shall not apply with respect to health insur-
23	ance coverage if there is a State law (as defined in
24	section 2723(d)(1) of the Public Health Service Act)
25	for a State that regulates such coverage that is de-
26	scribed in any of the following subparagraphs:

- 1 "(A) Such State law requires such cov2 erage to provide for at least a 48-hour hospital
  3 length of stay following a mastectomy per4 formed for treatment of breast cancer and at
  5 least a 24-hour hospital length of stay following
  6 a lymph node dissection for treatment of breast
  7 cancer.
- "(B) Such State law requires, in connection with such coverage for surgical treatment of breast cancer, that the hospital length of stay for such care is left to the decision of (or required to be made by) the attending provider in consultation with the woman involved.
- 14 "(2) Construction.—Section 2762(a) shall 15 not be construed as superseding a State law de-16 scribed in paragraph (1).".
- 17 (b) Conforming Amendment.—Section 2762(b)(2)
  18 of such Act (42 U.S.C. 300gg-62(b)(2)) is amended by
  19 striking "section 2751" and inserting "sections 2751 and
  20 2753".
- 21 (c) Effective Date.—The amendments made by 22 this section shall apply with respect to health insurance 23 coverage offered, sold, issued, renewed, in effect, or oper-24 ated in the individual market on or after the date of enact-25 ment of this Act.

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1	SEC. 5. AMENDMENTS TO THE INTERNAL REVENUE CODE
2	OF 1986.
3	(a) In General.—Subchapter B of chapter 100 of
4	the Internal Revenue Code of 1986 (relating to other re-
5	quirements) is amended by inserting after section 9812
6	the following new section:
7	"SEC. 9813. REQUIRED COVERAGE FOR MINIMUM HOSPITAL
8	STAY FOR MASTECTOMIES AND LYMPH NODE
9	DISSECTIONS FOR THE TREATMENT OF
10	BREAST CANCER AND COVERAGE FOR SEC-
11	ONDARY CONSULTATIONS.
12	"(a) Inpatient Care.—
13	"(1) In general.—A group health plan that
14	provides medical and surgical benefits shall ensure
15	that inpatient coverage with respect to the surgical
16	treatment of breast cancer (including a mastectomy,
17	lumpectomy, or lymph node dissection for the treat-
18	ment of breast cancer) is provided for a period of
19	time as is determined by the attending physician, in
20	the physician's professional judgment consistent with
21	generally accepted principles of professional medical
22	practice, in consultation with the patient, to be
23	medically necessary or appropriate.
24	"(2) Exception.—Nothing in this section shall
25	be construed as requiring the provision of inpatient

coverage if the attending physician in consultation

- 1 with the patient determines that a shorter period of
- 2 hospital stay is medically necessary or appropriate.
- 3 "(b) Prohibition on Certain Modifications.—
- 4 In implementing the requirements of this section, a group
- 5 health plan may not modify the terms and conditions of
- 6 coverage based on the determination by a participant or
- 7 beneficiary to request less than the minimum coverage re-
- 8 quired under subsection (a).

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## "(c) Secondary Consultations.—

"(1) IN GENERAL.—A group health plan that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.

- "(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where there is a financial relationship (including an ownership or investment interest or compensation arrangement) between the specialist and the attending physician or where the patient determines not to seek such a consultation. "(d) Prohibition on Penalties.—A group health
- "(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;
- "(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a

plan may not—

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- lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or
- "(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan involved under subsection (d).
- "(e) EXCEPTION FOR HEALTH INSURANCE COV11 ERAGE IN CERTAIN STATES.—The requirements of this
  12 section shall not apply with respect to health insurance
  13 coverage if there is a State law (including a decision, rule,
  14 regulation, or other State action having the effect of law)
  15 for a State that regulates such coverage that is described
  16 in any of the following paragraphs:
  - "(1) Such State law requires such coverage to provide for at least a 48-hour hospital length of stay following a mastectomy performed for treatment of breast cancer and at least a 24-hour hospital length of stay following a lymph node dissection for treatment of breast cancer.
    - "(2) Such State law requires, in connection with such coverage for surgical treatment of breast cancer, that the hospital length of stay for such care

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1	is left to the decision of (or required to be made by)
2	the attending provider in consultation with the
3	woman involved.".
4	(b) CLERICAL AMENDMENT.—The table of sections
5	for such subchapter is amended by adding at the end the
6	following new item:
	"Sec. 9813. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.".
7	(c) Effective Dates.—
8	(1) In general.—The amendments made by
9	this section shall apply with respect to plan years be-
10	ginning on or after the date of enactment of this
11	Act.
12	(2) Special rule for collective bar-
13	GAINING AGREEMENTS.—In the case of a group
14	health plan maintained pursuant to 1 or more collec-
15	tive bargaining agreements between employee rep-
16	resentatives and 1 or more employers ratified before
17	the date of enactment of this Act, the amendments
18	made by this section shall not apply to plan years
19	beginning before the later of—
20	(A) the date on which the last collective
21	bargaining agreements relating to the plan ter-
22	minates (determined without regard to any ex-

tension thereof agreed to after the date of en-

actment of this Act), or

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1	(B) January 1, 2004.
2	For purposes of subparagraph (A), any plan amend-
3	ment made pursuant to a collective bargaining
4	agreement relating to the plan which amends the
5	plan solely to conform to any requirement added by
6	this section shall not be treated as a termination of
7	such collective bargaining agreement.
8	SEC. 6. COORDINATION OF ADMINISTRATION.
9	The Secretary of Labor, the Secretary of the Treas-
10	ury, and the Secretary of Health and Human Services
11	shall ensure, through the execution of an interagency
12	memorandum of understanding among such Secretaries,
13	that—
14	(1) regulations, rulings, and interpretations
15	issued by such Secretaries relating to the same mat-
16	ter over which two or more such Secretaries have re-
17	sponsibility under the provisions of this Act (and the
18	amendments made thereby) are administered so as
19	to have the same effect at all times; and
20	(2) coordination of policies relating to enforcing
21	the same requirements through such Secretaries in
22	order to have a coordinated enforcement strategy
23	that avoids duplication of enforcement efforts and

assigns priorities in enforcement.